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## Mexico

**Post:** Mexico

### December 2010 Cotton Update

**Report Categories:**

Cotton and Products

Agricultural Situation

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**Report Highlights:**

FAS/Mexico's new cotton production estimate for marketing year (MY) 2010/11 (August to July) is increased to 665,000 bales. Post's new cotton import forecast for MY 2010/11 is estimated at 1.6 million bales. Post adjusted MY 2008/09 and MY 2009/10 prior year imports and carryover stocks. At the end of 2010, the Confederation of Mexican Cotton Associations (CMCA) reported a 68 percent advance in cotton harvest. Cotton planting should return to Sinaloa in MY 2011/12 as high international prices are affecting planting decisions.

## General Information:

### Production:

Latest data from CMCA forecasts an increase in MY 2010/11 cotton bale production to 664,920 bales, a 7.12 percent increase from FAS/Mexico's October 2010 estimate of 620,742 bales (See 2010 GAIN Report [MX0077](#)). This is due to increased planting in the regions of La Laguna and Mexicali. In addition, CMCA adjusted its estimate of nationwide average yields upward to 5.7 bales per hectare. As of December 2010, CMCA reported a 68 percent advance in the current season harvest. CMCA published its official MY 2009/10 estimate (410,743 bales) for Mexican cotton bale production.

Sources report that producers in Mexicali increased planting acreage due to anticipation of greater profit. Reportedly, attractive international prices played a key role in enticing producers to plant in the Mexicali area. FAS/Mexico's estimate of planted area for other production regions remains the same.

The Mexicali area, in the State of Baja California, reports the ginning season ended. Southern Sonora finished its season, as well. Chihuahua reports that 37 percent of the cotton area was harvested by the middle of November.

FAS/Mexico forecasts Sinaloa will plant cotton in MY2011/12 as potential profits should entice growers to plant around 2,000 hectares.

**Table 1. Mexico: Cotton Production by State/Region for MY 2010/11**

Region	Planted Area (Ha)	Yield (Bales/Ha)	Production (Bales)	Bales harvested <sup>①</sup>
Southern Sonora	3,000	5.7	17,215	17,215
Mexicali, Baja California	22,670	6.7	151,890	150,948
Juarez, Chihuahua	8,169	6.0	49,014	18,754
Delicias, Chihuahua	25,735	5.7	147,048	85,847
Ojinaga-Aldama, Chihuahua	27,170	6.0	163,020	81,195
La Laguna (Durango-Coahuila)	24,274	4.5	109,233	82,965
Northern Tamaulipas	5,500	5.0	27,500	15,250
TOTAL	116,518	5.7	664,920	452,174

Source: Confederation of Mexican Cotton Associations

(1) as of December 17, 2010

CMCA published its final cotton production estimate by state/region for MY 2009/10. Final production and planting area figures were revised downward from FAS/Mexico's October forecast of 422,000 bales.

**Table 2. Mexico: Cotton Production by State/Region for MY 2009/10**

Region	Planted Area (Ha)	Yield (Bales/Ha)	Production (Bales)
Southern Sonora	1,700	6.5	11,050
Mexicali, Baja California	19,081	6.3	121,250
Juarez, Chihuahua	10,051	5.0	50,215
Delicias, Chihuahua	5,541	4.2	23,081
Ojinaga-Aldama, Chihuahua	12,422	5.9	72,716
La Laguna (Durango-Coahuila)	20,013	6.6	132,031
Northern Tamaulipas	0	0.0	0
<b>TOTAL</b>	<b>68,812</b>	<b>6.0</b>	<b>410,743</b>

Source: Confederation of Mexican Cotton Associations

### Trade:

FAS/Mexico increased its forecast of MY2010/11 import demand from USDA/Official forecasts by 300,000 bales to 1.6 million bales. The new FAS/Mexico estimate is based on reports that the Government of Mexico is scrutinizing imports of cotton and used clothing that were allegedly under invoiced. As such, buyers should shift away from other suppliers and increase demand for cotton bales from the United States. As previously reported, the Mexican market offers a steady demand stream to American suppliers. The United States remains the leading cotton supplier to Mexico and accounts for nearly 100 percent of total cotton imports.

### Production, Supply and Demand Data Statistics :

**Table 3. Mexico: Production, Supply and Demand Data Statistics**

Cotton Mexico	2008/2009		2009/2010		2010/2011	
	Market Year Begin: Aug 2008		Market Year Begin: Aug 2009		Market Year Begin: Aug 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	110	0	69	0	116
Area Harvested	101	101	70	69	107	110
Beginning Stocks	932	932	764	844	579	841
Production	567	567	422	411	620	665
Imports	1,315	1,400	1,393	1,511	1,300	1,600
MY Imports from U.S.	0	1,400	0	1,420	0	1,600
Total Supply	2,814	2,899	2,579	2,766	2,499	3,106
Exports	175	130	75	100	150	200
Use	1,850	1,900	1,900	1,800	1,825	1,900
Loss	25	25	25	25	25	25
Total Dom. Cons.	1,875	1,925	1,925	1,825	1,850	1,925
Ending Stocks	764	844	579	841	499	981
Total Distribution	2,814	2,899	2,579	2,766	2,499	3,106

Author Defined:

For More Information

**FAS/Mexico Web Site:** We are available at [www.mexico-usda.com](http://www.mexico-usda.com) or visit the FAS headquarters' home page at [www.fas.usda.gov](http://www.fas.usda.gov) for a complete selection of FAS worldwide agricultural reporting.

**FAS/Mexico YouTube Channel:** Catch the latest videos of FAS Mexico at work  
<http://www.youtube.com/user/ATOMexicoCity>

**Other Relevant Reports Submitted by FAS/Mexico:**

Report Number	Subject	Date Submitted
<a href="#">MX0077</a>	Cotton Situation – October Update	10/25/10
<a href="#">MX0062</a>	Cotton Situation – September Update	09/10/10
<a href="#">MX0038</a>	July Cotton Update	06/15/10
<a href="#">MX0021</a>	Cotton and Products Annual	04/14/10
<a href="#">MX0007</a>	February Cotton Update	03/01/10